GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:2289
ANSWERED ON:15.12.2004
COLLECTION OF LICENCE FEE
Shakya Shri Raghuraj Singh

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) total annual collection from the licence fee paid by various operators in the telecom and IT sector;

(b) the principles which govern and guide expenditure of this fund; and

(c) the percentage of this amount spent towards developing rural telephony?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) During 2003-2004 a sum of Rs.5228 crores was collected as license fees from telecom operators.

(b) The amount collected is credited to the Consolidated Fund of India (CFI), from which funds are released for various purposes as approved by Parliament. The Universal Service Obligation (USO) Fund, set up primarily to facilitate access to basic telephone services in rural/remote areas, also receives annual grants from the Government. Releases from the USO Fund are governed by the Indian Telegraph (Amendment) Rules 2004. The Government has also been reimbursing a part of the license fees paid by Bharat Sanchar Nigam Limited to meet losses incurred in rural telephony.

(c) During 2003-2004, as against Rs.5228 crores collected as license fee, the Government Spent Rs.2500 crores (i.e.47%) towards development of rural telephony.